C1990-M

NOV 25

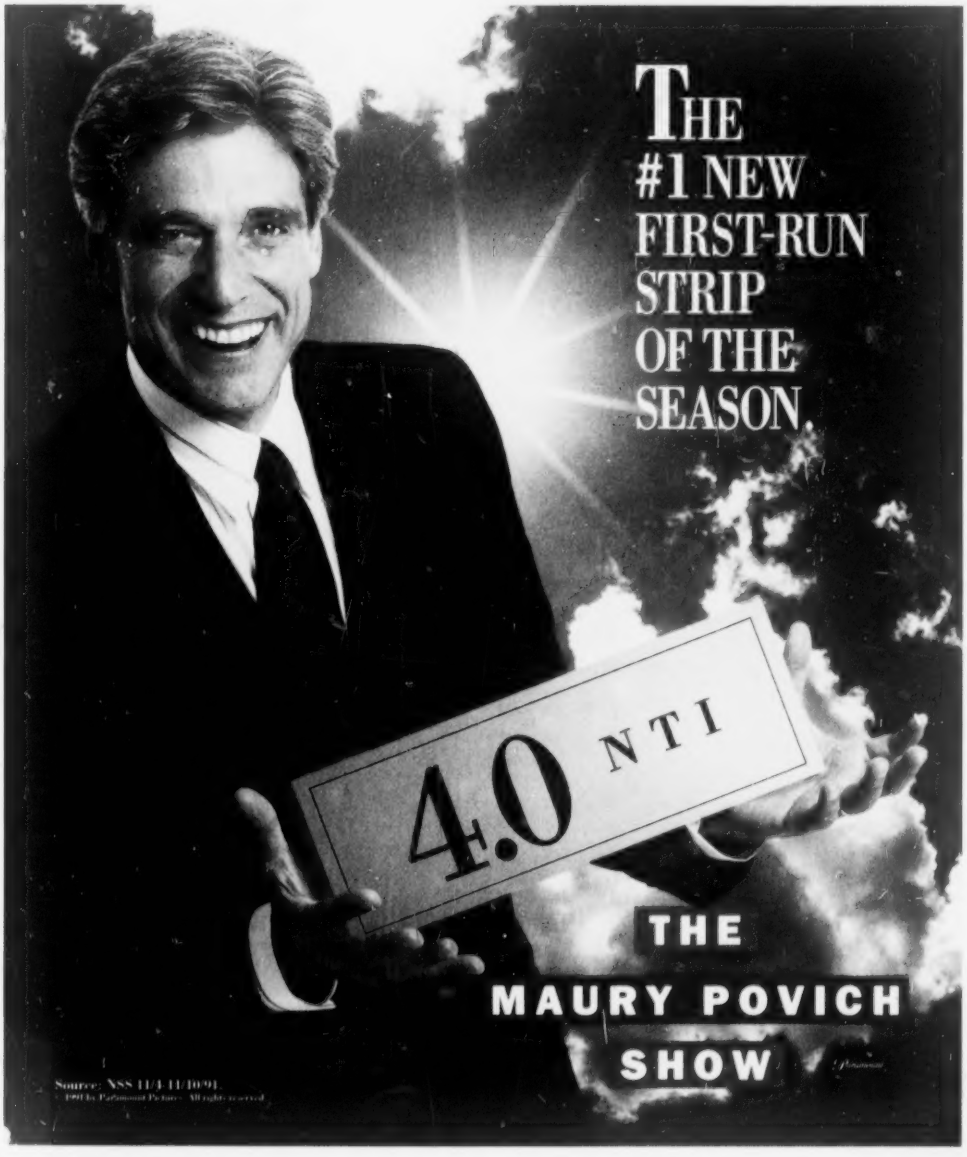
Broadcasting

61st YEAR FIRST IN TELEVISION CABLE RADIO SATELLITE 1991 $2.95

❑FOXPLEXING: DUAL REVENUE STREAMS FOR BROADCASTERS? /4

❑TV CONSORTIUM IS FIRM GO FOR '93 /14

❑BROADCASTERS TO FCC: BEST RULES ARE NO RULES /16



47
#********** 5-DIGIT 20814
#0104B9384#C SEP92 BR472
SKI ACQ
CONGRESSNL INFO SRV 275
4520 EAST-WEST HWY
BETHESDA MD 20814

ALL SPORTS SPECIAL page 38

along with KPDX(TV) Vancouver, Wash. (Portland, Ore.), and WEVV(TV) Evansville, Ind.—as three stations that expressed interest last week in participating in the test.

One example of how the channel would be programed is for the 8-10 p.m. block of network programing to be repeated on FoxPlex at 10 p.m.-midnight, and then perhaps again the next morning and next afternoon. The gaps between network programing will be filled by library product aired on FoxNet, the satellite feed delivered to cable systems not served by a broadcast affiliate. FoxNet will likely serve as the foundation feed for FoxPlex, with network programing videotaped off the broadcast feed inserted into the mix.

The same advertisers, both local and national, would appear in the repeat airings, with Fox and its affiliates selling time based on the cumulative rating after FoxPlex is rolled out nationally.

Others in the industry were not quite sure what to make of the Fox plan. "I think it will hurt them," said Bart McHugh, senior vice president, DDB Needham. "There's nothing intrinsically wrong with buying a cume rating...but this seems like a form of fractionalization."

Affiliates from other networks were also unsure what the plan would mean for Fox or themselves if their networks did something similar. If it were NBC, "I would not like it. It's another challenge to over-the-air," said WBZ-TV Boston Vice President and General Manager John Spinola. But he also acknowledged the plan could have some positives.

NBC and ABC both have interest in additional channels but seem to be concentrating on creating them within the broadcasting realm. Both are working to repeal the dual network rule, which would allow them to program additional broadcast channels. If repealed, the networks appear to want to create additional programing rather than time-shift existing schedules.

"If you're a broadcaster today, what you don't want to do is remain a single channel provider in a multichannel world," said Padden. Having more "shelf space," he said, should help Fox increase audience share, good for both the network and its affiliates. "If you accept that spreading across more shelf space is necessary, it follows that you will be competing with yourself," said Padden, noting that more available viewing of a program should lead to higher ratings. ■

This Week

FOXPLEX PLAN / 4

A plan by Fox Broadcasting Corp., announced at the Western Show, to offer a time-shifted cable channel of its network's (and perhaps its affiliates') programing would, for the first time, provide a dual revenue stream for broadcasters.

BARTER MATTERS / 26

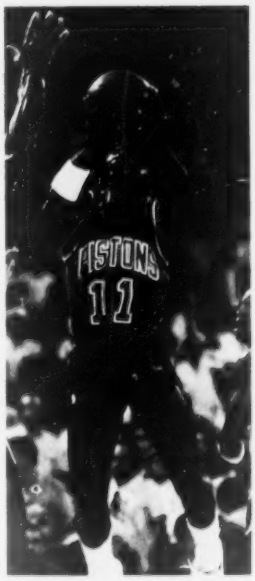
Warner Bros. has confirmed that, despite receiving firm cash offers from several markets, it is offering its popular *Family Matters* for fall 1993 on an all-barter basis.

MORE VIEW, LESS PAY / 35

Pay per view's pie-in-the-sky profit promises have run smack into the face of revenue reality: reports from the Western Show suggest that, in the 150-channel future, more and more PPV channels will bring in less and less revenue.

SPECIAL REPORT: GOOD SPORTS / 38

Network executives, toting up big losses on TV sports contracts, appear ready to play hardball on rights negotiations. Facing the networks' growing willingness to



All sports report (p.38)

simply sell their air time to sports promoters or to pass on deals outright, the major leagues are expected to moderate their rights charges.

RADIO OPEN TO CONDOM ADS / 46

Radio networks, reps and operators, like their TV counterparts, are re-evaluating their positions on condom ads. The concern, they say, is that the emphasis be on safe sex rather than sex.

THE WESTERN SHOW
TELEVISIONARY

TV PAY LAG / 50

A survey of TV station salaries shows annual increases for most positions haven't kept pace with inflation. Only news directors and anchors beat the high cost of living.

INTANGIBLE BENEFITS / 54

Worried that a House bill designed to simplify reporting of government licenses and other intangible assets could increase the cable industry's tax burden, the NCTA is hoping to push through changes that could instead provide significant tax relief. Its goal: extend the 14-year amortization period to government licenses of all durations.

DOUBLE TROUBLE / 57

Improper uplinking of video is the culprit behind two-thirds of satellite interference problems, an FCC official says, but new rules requiring uplinkers to encode their signals with identifiers—so they can be quickly contacted if they're using the wrong transponder—have cut down on double imaging and ghosting.

The news from Anaheim: FoxPlexing (p.4), PPV (p.35)

Founded in 1931 as *Broadcasting*, the News Magazine of the Fifth Estate. *Broadcasting Telecasting*® introduced in 1946. *Television*® acquired in 1961. *Cablecasting*® introduced in 1972. *Broadcasting Cable* introduced in 1989. *Broadcasting*® is a registered trademark of Reed Publishing (Nederland) B.V., used under license. ®Reg. U.S. Patent Office.

Incorporating The Fifth Estate TELEVISION Broadcasting ■ Cable

Broadcasting (ISSN 0007-2028) is published 52 Mondays a year by Cahners Publishing Co., 1705 DeSales Street, N.W., Washington, D.C. 20036. Second-class postage paid at Washington, D.C. and additional offices. Single issues: $2.95, except special issues, $4.50. Subscription, U.S. and possessions, $85 per year. Canadian and other international subscribers, add $40. U.S. and possessions, $400 yearly for special delivery, $100 for first-class. Subscriber's occupation required.
Microfilm of *Broadcasting* is available from University Microfilms, 300 North Zeeb Road, Ann Arbor, Mich. 48106 (1-800-521-0600).
Postmaster, please send address corrections to *Broadcasting*, PO Box 715, Brewster, NY 10509-0715.
© 1991 by Cahners Publishing Co.

At Deadline

MEIDEL TO TWENTIETH

Confirming BROADCASTING reports ("Closed Circuit," July 22, Nov. 18), Twentieth Television has named R. Gregory Meidel president, domestic television. Meidel, executive VP-general sales manager at Paramount Domestic Television, will report to Twentieth Chairman Lucie Salhany. Replacing Michael Lambert, Meidel assumes new post in February, overseeing all syndication operations for Twentieth's first-run and off-network syndicated programs.

CURTAINS FOR CARTOONS

NBC is said to be ready to announce as early as next week that it will get out of the Saturday morning cartoon business in the fall of 1992, as expected (BROADCASTING, Oct. 21). Affiliate sources said among the more likely replacements is a Saturday edition of the *Today* show, which has been in active development.

For other late-breaking news, see "In Brief," page 80.

NEWS DEPARTMENTS

Business 50
Cable 35
Radio 46
Special Report 38
Technology 57
Television 26
Top of the Week 3
Washington 54

FEATURE SECTIONS

Advertising/Marketing 51
Bicoastal 31
By the Numbers 68
Changing Hands 53
Closed Circuit 18
Datebook 60
Editorials 82
Fates & Fortunes 76
Fifth Estater 75
For the Record 69
In Brief 80
Monday Memo 79
Open Mike 62
Ratings Week 30

CBS hopes its multimillion dollar ad campaign will brighten its Olympic prospects.

CBS loss on Olympics may be exaggerated

Predictions that network will lose $50 million being questioned; network ad time 83% sold; local sales brisk

By Rich Brown

Doomsayers are predicting network losses of more than $50 million on CBS's upcoming coverage of the 1992 Albertville winter Olympics (Feb. 8-23). But a number of affiliates are reporting brisk local sales on the package, and at least one analyst said the network could end up not reporting a loss on the deal.

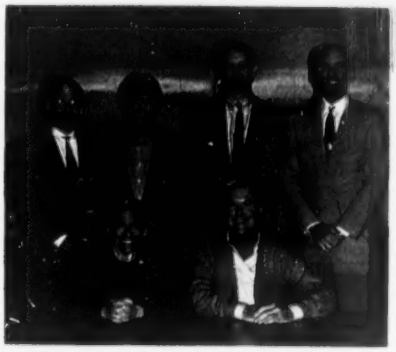
Jessica Reif, an analyst with Oppenheimer & Co., said the fact that CBS did not write off any Olympics dollars on its recent $322 million 1992-1993 sports write-down might indicate network optimism.

"It was just too strange that they wouldn't take it when they had the opportunity," said Reif. "I think somehow, on a reported basis, they're just not going to show it."

Nevertheless, ad agency executives such as Jon Mandel of Grey Advertising in recent weeks have predicted losses of more than $50 million on the CBS Olympics package. They say making up the dollars might prove difficult for the network, which has already paid $243 million in rights fees on the package and will have to absorb additional millions in production costs to cover the games. On top of those costs are the problems associated with the persistent advertising slump, which has already hit CBS Sports hard on its Major League Baseball and National Football League contracts. Losses from those two $1.06 billion contracts total $604 million.

To attract advertisers, CBS Sports is offering ratings guarantees on about 60% of its Olympics schedule, according to one agency executive. The network is guaranteeing a 17 rating in prime time and about a 10 rating on weekend daytime, he added. The network has also expanded the amount of commercial avails per hour by one minute, bringing the total Olympics inventory to 10.5 minutes per hour. CBS Sports executives last week would not comment on Olympics sales, other than to say that advertising was 83% sold out.

On the local side, a number of CBS affiliates are reporting brisk local sales on the network's upcoming Olympics coverage. CBS affiliate KFMB-TV San Diego, for example, has firm and pending commitments representing about 70% of its total 838 local available Olympics spots. Prime time spots represent 264 of that total;



All smiles at a press conference last week announcing the all-barter offering of 'Family Matters' were (seated, l-r) program's executive producers Bob Boyett and Tom Miller (in association with Lorimar), backed by (standing, l-r) Dick Robertson, president, Warner Bros. Domestic Television Distribution; Scott Carlin, senior VP, sales, WBDTD; Leslie Moonves, president, Lorimar Television, and Barry Meyer, executive VP, Warner Bros. Inc.

bottom line. In weighing the two [cash and barter], we believe we can do materially better" through barter.

"For us, as producers, it has always been disconcerting that people would pay so much for a sitcom," Bob Boyett added. "Yes, everyone came out money-wise, but didn't come out performance-wise with the product. Barter will shift the emphasis to performance. If [*Family Matters*] doesn't work after two years, get it off. We're confident enough to believe *Family Matters* has strong enough legs to go well beyond the initial two years of barter." ■

'LOVE LIFE' PICKS UP SUITORS

Gamedy from Viacom Katz clears 25% of country

By Steve McClellan

How's Your Love Life?, the first show from the Viacom Katz consortium, has been picked up by stations covering about 25% of the country, including the United Chris Craft station group, WWOR-TV New York and KUSI(TV) San Diego.

The United Chris Craft stations clearing the show include KCOP(TV) Los Angeles, KBHK(TV) San Francisco, KMGP(TV) Minneapolis, KUTP(TV) Phoe-

SYNDICATION UPDATE

TERENZIO TO 'AFFAIR'

John Terenzio has been named executive producer of Twentieth Television's syndicated strip, *A Current Affair*, filling the vacancy created by the departure of Anthea Disney to editor of *TV Guide* in September. Ian Rae, executive vice president of news for the Fox O&O stations, had been serving as interim producer of *Current Affair*. Terenzio, a 15-year veteran broadcast journalist, was most recently executive producer of NBC's weekend *Nightly News* and NBC News specials. He was also vice president of ABC prime time news specials prior to joining NBC.

FIGHTING CLEARANCES

SNI Sports Network has cleared *The Legend Sports of Notre Dame*, a pair of 90-minute specials, on 110 stations covering over 73% of the U.S. Its current broadcast window, which runs through Dec. 31, has averaged a 5 rating (NSI) in Nielsen metered markets, according to an SNI spokeswoman. Cleared on NBC O&O's WNBC-TV New York, KNBC-TV Los Angeles and WMAQ-TV Chicago to tie-in with NBC's exclusive broadcast rights contract for Notre Dame football games, the special, featuring Fighting Irish gridiron history, is being offered on a 10 minute local/10 minute national barter split. SNI, an independent St. Louis-based sports programing syndicator, will also be offering *Billy Packer's College Basketball*, a 10-episode series on NCAA basketball triggering Jan. 18, 1992 (cleared in 95 markets) and six hour-long *Hale Irwin's Golf in America* specials set to debut in March 1992.

TROOP CARRIERS

Claster Television reports that 121 CBS affiliates and 82 Fox affiliates aired special two-part episodes of *G.I. Joe—The Greatest Evil*, half-hour specials tied to the 1991 National Red Ribbon Anti-Drug Campaign. As part of the campaign, Claster also offered a second barter-free run of the episodes to the 100 client stations (mostly independents) that already carry the *G.I. Joe* animated series. Of these, 49 stations ran the specials, representing 51% of the country.

DIC DEALS

DIC Enterprises signed a series of distribution deals last week on four individual series with three different syndicators for distribution in fall 1992. Bohbot Communications has picked up distribution of *Inspector Gadget and Goo Goo*, in which DIC is adding newly produced three-minute animated segments to its preexisting library of 65 off-first-run syndication episodes. DIC has also optioned distribution rights to *Captain N: The Game Master*, 63 off-network episodes of the series currently airing on NBC's Saturday morning lineup. LBS Communications has picked up fall 1992 distribution rights to 13 half-hour episodes of *ProStars!* and a yet-to-be named companion half-hour from DIC's series library for 1992-93 weekly first-run distribution.

ZOO TIME

Litton Syndication will be offering the half-hour weekly, *Zoo Life with Jack Hanna*, on a straight barter basis beginning in April 1992. The new series, which has been cleared in over 80% of the U.S., follows the December 1990 airing of *Zoo Life Magazine Specials*. Litton will be producing 26 weeks of original episodes (with 26 weeks of repeats).

NSS Pocketpiece

(Nielsen's top ranked syndicated shows for the week ending Nov. 10. Numbers represent aggregate rating average/stations/% coverage)

1. Wheel Of Fortune	14.7/222/98
2. Star Trek	13.4/244/98
3. Jeopardy	12.5/216/98
4. Oprah Winfrey Show	11.2/223/99
5. Entertainment Tonight	9.8/183/96
6. Current Affair	8.9/171/93
6. Wheel of Fortune (Wknd)	8.9/193/85
8. Cosby Show	8.3/207/98
9. WKRP In Cincinnati	8.2/241/98
10. Married...With Children	7.6/167/93
11. Donahue	7.2/230/99
12. Inside Edition	6.9/124/87
13. Hard Copy	6.5/169/92
14. A Current Affair Extra	5.1/169/91
15. Love Connection	5.1/168/94

Broadcasting's Ratings Week ϟ Nov 11-17

	ABC	CBS	NBC	FOX
MONDAY	15.9/24	16.7/25	15.5/23	7.0/10
8:00	53. MacGyver 10.6/16	19. Evening Shade 15.8/23	18. Fresh Prince 15.9/24	80. Fox Night at the Movies—Working Girl 7.0/10
8:30		13. Major Dad 16.7/24	35. Blossom 13.7/20	
9:00	9. NFL Monday Night Football—Chicago Bears at Minnesota Vikings 17.6/29	4. Murphy Brown 19.7/28	19. NBC Monday Night Movies—Deadly Medicine 15.8/24	
9:30		11. Designg Wmn 17.3/25		
10:00		22. Northern Exposure 15.4/24		
10:30				
TUESDAY	18.3/28	11.0/17	13.6/21	NO PROGRAMING
8:00	3. Full House 21.4/32	30. Rescue: 911 14.1/21	38. In the Heat of the Night 13.0/19	
8:30				
9:00	2. Roseanne 22.9/33	58. CBS Tuesday Night Movie—Who Framed Roger Rabbit? 9.9/16	33. Law and Order 13.9/21	
9:30	5. Coach 19.4/29			
10:00	43. Homefront 12.2/21		34. 1st Person/Maria Shriver 13.8/24	
10:30				
WEDNESDAY	14.1/23	10.6/17	13.0/21	NO PROGRAMING
8:00	40. Dinosaurs 12.5/20	59. Brooklyn Bridge 9.7/15	10. Unsolved Mysteries 17.5/28	
8:30	47. Doogie Howser 11.9/19	75. Royal Family 7.8/12		
9:00	25. ABC Movie Special—Backfield in Motion 15.0/24	48. Jake and the Fatman 11.8/18	41. Night Court 12.4/19	
9:30			49. Seinfeld 11.2/17	
10:00		50. 48 Hours 11.1/19	59. Quantum Leap 9.7/17	
10:30				
THURSDAY	9.0/14	10.7/17	16.5/26	13.1/20
8:00	67. Pros and Cons 8.3/13	54. Top Cops 10.5/16	15. Cosby 16.4/26	26. Simpsons 14.9/23
8:30			14. A Diffnt. World 16.5/25	57. Drexell's Class 9.7/15
9:00	67. FBI: Untold Stories 8.3/12	62. Trials of Rosie O'Neill 9.5/14	6. Cheers 19.3/29	38.Beverly Hills 90210 13.0/20
9:30	63. American Detect. 8.9/14		23. Wings 15.2/23	
10:00	55. Primetime Live 10.1/17	45. Knots Landing 12.0/20	19. L.A. Law 15.8/27	
10:30				
FRIDAY	14.2/25	7.6/14	9.4/17	5.4/9
8:00	27. Family Matters 14.8/26	73. Secrets from the Unknown 8.0/14	41. Matlock 12.4/21	82. America's Most Wanted 6.6/11
8:30	30. Step By Step 14.1/24			
9:00	37. Perfect Strngrs 13.1/23	67. Carol Burnett Show 8.3/15	77. Flesh 'n' Blood 7.5/13	90. Best of the Worst 4.4/8
9:30	51. Baby Talk 11.0/19		73. Dear John 8.0/14	91. Totally Hiddn Video 4.1/7
10:00	16. 20/20 16.1/29	83. Trials of Rosie O"Neill 6.5/12	71. Reasonable Doubts 8.1/15	
10:30				
SATURDAY	8.2/14	7.8/14	13.7/24	5.9/10
8:00	61. Who'stheBoss? 9.6/17	71. CBS Saturday Movie—Planes, Trains and Automobiles 8.1/14	32. Golden Girls 14.0/24	76. Cops 7.6/13
8:30	70. Growing Pains 8.2/14		36. Walter/Emily *13.3/23	65. Cops 2 8.6/15
9:00	79. TheYoung Riders 7.1/12		16. Empty Nest 16.1/28	92. Charlie Hoover 4.0/7
9:30			27. Nurses 14.8/25	94. Get A Life 3.2/5
10:00	64. The Commish 8.7/16	78. P.S. I Luv U 7.3/14	45. Sisters 12.0/22	
10:30				
SUNDAY	12.1/18	15.3/29	11.8/18	6.8/10
7:00	65. Life Goes On 8.6/14	1. 60 Minutes 23.7/38	89. Adv Mark & Brian 6.0/10	87. True Colors 6.1/10
7:30			87. Eerie, Indiana 6.1/9	85. M. Jackson Spec. 6.3/10
8:00	12. Am Fun Home Vid 17.0/25	7. Murder, She Wrote 18.0/26	86. Night Court 6.3/9	52. In Living Color 10.7/16
8:30	29. Am Fun People 14.2/21			81. Roc 6.7/10
9:00	44. ABC Sunday Night Movie—The Woman Who Sinned 12.1/18	8. CBS Sunday Movie—In a Child"s Name Pt. 1 17.8/27	23. NBC Sunday Night Movie—Back to the Future Part III 15.2/23	55. Married w/Childn 10.1/15
9:30				83. Herman's Head 6.5/10
10:00				93. Sunday Comics 3.9/6
10:30				
WEEK'S AVGS	13.1/21	12.3/20	13.3/21	7.5/12
SSN. TO DATE	12.2/20	13.9/23	12.8/21	7.7/13

RANKING/SHOW [PROGRAM RATING/SHARE] *PREMIERE SOURCE: A.C. NIELSEN YELLOW TINT IS WINNER OF TIME SLOT

Raycom has that someone else doesn't have," questioned one network executive. "Raycom at some point will get hit with the same kind of rights problem that we have. Until something is changed in the marketplace, the leagues are going to continue to try to hold up broadcasters for big rights increases."

Nevertheless, time buys are becoming increasingly prevalent. Another syndicator, New York-based Trans World International, two weeks ago signed a deal with CBS Sports to pay the network about $300,000 for two hours of airtime to telecast the National Invitational Dog Championships. TWI annually buys at least 25 broadcast network hours and 25 cable network hours for various sporting events.

Outside the major contracts, NBC Sports over the past year has aired a number of time buys, including everything from auto racing to bowling. In the past, said Schanzer, NBC would have paid rights fees on a number of those events.

ABC executives are said to no longer be interested in paying for TV rights to the Pan American Games, the quadrennial competition which aired on the network in August. Last summer's Pan Am Games from Cuba were not a particularly easy sell for the network and cable rightsholder Turner Broadcasting, said one TV sports executive, adding that it is conceivable that the Games could pay ABC to air the next competition.

"There's a big retrenchment in sports on television and what they will pay on rights fees," said Monica de Hellerman, executive director of the International Sport Summit. "More and more television broadcasters are saying they're not interested in taking the risk. In the last year, with the recession and sponsors being very selective, a lot of the networks have said let's do this, but let's see how we can hedge our downside risk."

Sports franchises outside of the majors tend to be experiencing fewer problems than the larger sports, explained one TV sports executive. "They've got their rights costs and their production costs and their player salary costs reasonably well under control," he said.

Some of the smaller sports events offer appealing opportunities for specialty advertisers, according to Matt George of Grey Advertising, who said that he has known suntan lotion companies willing to pay top dollars to advertise on volleyball tournaments on ESPN.

Whether the events are big or small, the TV sports landscape is changing. If you want to know what will happen to rights fees in the future, say network executives, just take a look at what happened in 1991.

"I'm very optimistic about the future of sports on television, because I think our partners, the leagues, understand the basic economic realities of what has occured over the past several years," said Schanzer. "The network television business has learned there's no need to have a product that loses $100 million a year. It doesn't fill any purpose. It's not worth it." ■

ECONOMY, AD BAN THREATS DEPRESS SPORTS

Excess inventory also makes it tough for broadcasters and cable to make a profit

By Joe Flint

Even if the networks get tough during the next round of sports rights negotiations, it won't affect the overcrowded sports advertising market. The fact remains that there is a glut of sports inventory that will likely continue to keep unit rates low, making it hard for broadcasters and cablecasters to turn a decent profit on sports no matter what the rights fees.

There are also other factors out of the industry's control that may severely depress the sports market. One factor is beer advertising. The movement to ban beer and wine advertising on television is again picking up speed. Surgeon General Antonia Novello has attacked the beer industry's advertising tactics in recent weeks and that may, in turn, give a boost to members of Congress who would like to see regulations passed banning all alcohol ads. Beer manufacturers have been the backbone of sports programing and their loss would leave a gap unlikely to be filled.

"There is a fear on the part of the networks that they are going to be leigislated out of certain categories of advertising that are mainstays on sports and certainly the beer advertisers are very concerned about this," said Aaron Cohen, senior vice president, director, broadcast programing, N W Ayer. Jerry Dominus, senior vice president, director, network negotiations, J. Walter Thomson, said, along with Cohen, that he thinks it is a real possibility that beer ads may be banned.

Even if beer advertising is not restricted, beer manufacturers may take a low profile until the latest controversy blows over. And should beer advertising not be regulated, the beer wars are still pretty much a thing of the past. Even though Anheuser-Busch recently pulled money out of promotion and put it back into television, no one is anticipating huge expenditures by brewers.

While any ban is a few years away, the current problems with the sports market may not be cured by any economic turnaround. Said Cohen: "Even if things were great, prices would still be cheap and the pressure would be there for those people with sports to move their inventory. There is no reason why an advertiser has to go racing to the market."

The other major sports advertiser is the auto industry, which has been stung by the recession. Auto manufacturers have also been shifting budgets away from media and into dealer promotions.

At a recent panel by the International Radio and Television Society, media buyers debated network sports strategies. Much of the talk focused on CBS's Major League Baseball contract and whether it was worth it for one network to control a sport. Robert Silberberg, vice president, Backer Spielvogel Bates, and a former CBS and ABC advertising executive, said he thought it was too much for one network to have both the playoffs and the World Series. Dominus, also a for-

mer CBS executive, disagreed, pointing out that CBS enjoyed "great success" with the NCAA basketball championship because it was not a split property. "We wanted to corner the market," he recalled. The problem with baseball, Dominus speculated, had to do with errors CBS made about what the other networks achieved with the sport. "They were cooking their books to make sports look good," he said. Broadcasting more regular season games is not the answer for CBS's baseball shortfall, the panelists said. Only more post-season games could possibly help the network make a turnaround on its contract.

Dominus wondered whether Raycom, the sports syndicator with an agreement with ABC to pay the network $1.5 million in return for distribution rights for some 20 college basketball games, might not look for advertiser backing before signing its next contract and whether the networks might do likewise. "My prediction is that the next time Raycom does that, they will come and before they spend their rights they will visit advertisers and say: 'We're prepared to assume this risk, will you cover and pay at this rate?' " Dominus said in the past advertisers have said "let us go buy the rights" at a reasonable price. "I wonder if the networks, having been sufficiently burned, will be receptive to that because the downside these days for a network is so much greater than the upside."

> *"There is a fear on the part of the networks that they are going to be leigislated out of certain categories of advertising that are mainstays on sports ,"*
>
> **N W Ayer's Aaron Cohen**

While there has been much talk of how the growth of pay-per-view will affect viewers, less is said about what it will do to sports advertising. While there is some optimism about the concept of professional leagues charging subscribers on a per-event basis, doubts remain over whether it can be pulled off with events like NBC's pay-per-view Olympic triplecast. Said Dominus: "I have a philosophy about the pay-per-view Olympics. I think NBC paid their $401 million and then looked around and said: 'How can we cover this?' I'm incensed and my clients feel the same way—that NBC will be offering a pay option to probably the most affluent consumers and the most avid viewers of the Olympics opposite that which they are asking my clients to sponsor at exorbitant prices. It's called eating with both hands and it is not right."

However, when it comes to other sports, some media buyers are optimistic that pay per view will work. Backer's Silberberg suggested that when the time comes that all NFL games are available on PPV, audiences will have a choice of rates depending on whether they want to view games with or without commericals.

While many sports rightsholders may look at what happened to the National Hockey League this year when, after long negotiations, the NHL signed a one-year, $5.5 million contract with SportsChannel America that represented about one-third of what the cable network previously spent for the NHL and smile, they may also want to remember what happened the last time sports rights were flat. After signing agreements with the big three for the National Football League that did not have substantial increases, then NFL Commissioner Pete Rozelle added cable to the pool and created more competition and cut into the advertising pie. In two years it may be pay-per-view's turn to further fragment the sports advertising marketplace. That's assuming that major sports advertisers have not been regulated out of the market already. ■

MAJOR SPORT RIGHTS
FEES PAID IN 1991

Sport	Est.'91 Ave. Rts. Fee	Outlet
BASEBALL		
Major League Baseball	$250,000,000	CBS
	$100,000,000	ESPN
	$250,000,000	Local radio, TV, cable
	$12,500,000	CBS Radio
FOOTBALL		
National Football League	$265,000,000	CBS
	$225,000,000	ABC
	$188,000,000	NBC
	$111,000,000	ESPN
	$111,000,000	TNT
	$40,000,000	Local radio
NCAA—CFA	$35,000,000	ABC
	$25,000,000	ESPN
NCAA—BIG 10, PAC 10	$17,000,000	ABC
NCAA—NOTRE DAME	$7,000,000	NBC
WLAF	$12,000,000	ABC
	$4,500,000	USA
SEC	$4,000,000	WTBS
BASKETBALL		
NBA	$150,000,000	NBC
	$104,000,000	Local radio, TV, cable
	$68,750,000	TNT
NCAA Tournament	$143,000,000	CBS
BIG 10	$4,700,000	CBS
OTHER		
US Open	$17,000,000	CBS
	$9,000,000	USA
NHL	$5,500,000	Sportschannel America
PGA CHMPSHP	4,750,000	CBS

MOST TV PAY LAGS INFLATION, STUDY FINDS

Annual survey of salaries and fringe benefits says news directors and anchors fare best

By Randy Sukow

Salaries for most TV station employes are not increasing at the rate of inflation, according to the *1991 Television Employe Compensation and Fringe Benefits Report*, released last week by the National Association of Broadcasters and the Broadcast Cable Financial Management Association.

Only news director salaries (up 13.7%) and anchor salaries (up 23.9%) kept pace with or topped the combined 1989-1990 inflation rate of 10.7%. Base salary increases for general managers (9.7%), program directors (6.3%) and chief engineers (8.1%) lagged behind.

The 42-page report allows commercial TV station managers to gauge their salary, benefit and bonus expenditures with the national averages, broken down according to ADI ranking, 1990 revenues and status as either an affiliated or independent station.

About 51% of 1,079 stations surveyed responded to NAB-BCFMA questionnaires asking each station for a list of base salaries, starting annual salaries, bonuses, fringe benefits and the number of full-time employes.

The national average paid vacation time is two weeks for employes with under five years service with a station and three weeks for five to 15 years. Employes are granted an average of eight paid holidays and nine days of paid sick leave. Most stations (59%) do not allow accumulated sick leave. ■

NATIONAL AVERAGE COMPENSATION

Department heads	
General manager	$133,930
Assistant general manager/ Station manager	$76,488
General sales manager	$91,848
Operations manager	$46,605
Program director	$45,737
Director of engineering/Chief engineer	$49,200
News director	$60,501
Marketing director	$56,464
Promotion/Publicity director	$36,488
Production manager	$34,919
Business manager/Controller	$46,534
Traffic manager/Supervisor	$27,782
Community/Public affairs director	$33,329
Art director	$31,726
Research director	$39,767
Human Resources director	$38,768
Support staff	
National sales manager	$74,431
Local sales manager	$70,487
Account executive	$44,565
Operator technician	$22,136
Maintenance technician	$28,280
Technical director	$24,705
Floor director	$22,594
Film/Tape editor	$22,379
Film director	$24,310
News anchor	$64,763
News producer	$26,169
News reporter	$29,035
News photographer	$22,637
Sportscaster	$46,066
Weathercaster	$48,158
Assignment editor	$27,109
Production assistant	$17,734
Producer/Director	$26,410
Staff artist	$23,539
Traffic/Computer operator	$17,457

DEADLINE NEARS ON REVISING CREDIT CRITERIA

The regulatory criteria that some executives think hinder loans to TV stations and cable systems are still being worked on. And some federal banking authorities last week said they will not make the Dec. 1 target for revising—presumably easing—the "highly leveraged transaction" (HLT) definition. Their new target, it was suggested, is now the end of the year.

Seeking to correct the impression of a delay, the Federal Deposit Insurance Corp. Director of Supervision, John Stone, sent a letter last week to NAB President Eddie Fritts: "I can assure you that staff at each of the three bank regulatory agencies...continues to work together in order to reach an interagency agreement on changes to the HLT definition by Dec. 1."

Broadcasters and cable operators submitted more than three-quarters of all recent comments received by federal banking regulators. Despite such disproportionate lobbying, one regulator told BROADCASTING the media industry will not receive a "carve out" exclusion from the rules; rather, the industry may benefit from whatever new rules are adopted for everyone.

The HLT criteria essentially seek to categorize the risk to banks of loans made for "buyout, acquisition or recapitalization" (BROADCASTING, June 4, 1990), and when such loans can be delisted from HLT status. There is no limit on the proportion of a bank's portfolio that may comprise HLT's but the HLT designation affects the image of the bank, and thereby, it is said, its willingness to make such loans. -GF

Changing Hands

This week's tabulation of station and system sales ($250,000 and above)

WTVQ-TV Lexington, Ky. □ Sold by Shamrock Broadcasting Inc. to Park Communications for $11 million ("Closed Circuit," Nov. 4). **Seller** is headed by Bill Clark and is owned by Roy E. Disney family; it also owns five AM's, nine FM's and two TV's. **Buyer** is headed by Roy H. Park, and also owns 10 AM's, nine FM's and seven TV's. WTVQ-TV is ABC affiliate on ch. 36 with 2,100 kw visual and 210 kw aural and antenna 1,029 feet above average terrain. *Broker: The Ted Hepburn Co.*

WBOS(FM) Brookline (Boston), Mass. □ Sold by Ackerley Communications to Granum Communications for undisclosed price, industry sources estimate price at $9 million ("Closed Circuit," Nov. 11). **Seller** is headed by Barry Ackerley, and owns two AM's, four FM's and five TV's. **Buyer** is headed by Herb McCord, former manager of Greater Media Inc.; it owns KXMZ(AM)-KCDU(FM) Dallas, and recently purchased WMMO(FM) Orlando, Fla. ("Changing Hands, Sept. 16). WBOS has AOR format on 92.9 mhz with 8.8 kw and antenna 1,100 feet above average terrain.

KKCY(FM) Colusa, Calif. □ Sold by Monument Media Inc. to Phoenix Broadcasting Inc. for $390,000. **Seller** is headed by Mark P. Guidotti, and has no other broadcast interests. **Buyer** is headed by Gary Katz (77%), and is also licensee of KCEZ(FM) Corning, Calif. KKCY has AC format on 96.5 mhz with 3 kw and antenna 39 feet above average terrain.

PROPOSED STATION TRADES

By volume and number of sales

This Week:

AM's □ **$69,000** □ **2**

FM's □ **$9,395,001** □ **4**

AM-FM's □ **$370,000** □ **2**

TV's □ **$11,000,000** □ **1**

Total □ **$20,834,001** □ **9**

Year to Date:

AM's □ **$70,117,999** □ **240**

FM's □ **$209,492,609** □ **257**

AM-FM's □ **$301,673,574** □ **189**

TV's □ **$1,053,854,400** □ **76**

Total □ **$1,635,138,582** □ **762**

For 1990 total see Jan. 7, 1991 BROADCASTING.

WWSJ(AM)-WQON(FM) St. Johns-Grayling, Mich. □ Sold by Ditmer Broadcasting Co. Inc. to WSJ-WQON Inc. for $320,000. **Seller** is headed by Robert D. Ditmer, who will retain 19.99% interest in licensee. **Buyer** is headed by D. Ray James (40.05%), and has no other broadcast interests. WWSJ has news-talk format on 1580 khz with 1 kw day. WQON has AC format on 100.1 mhz with 1.65 kw and antenna 389 feet above average terrain.

The $10.5 million sale last April of WOOD-AM-FM Grand Rapids, Mich., from United Artists Broadcast Properties to Wood Radio Ltd., owned by general partners Primedia Inc. and Fleet Venture Partners, and backed by senior lender Greyhound Financial Corp., closed in Grand Rapids.

Pictured (l-r) are Robert M. Van Degna, general partner of Fleet Venture Partners; Bruce Holberg, president of Primedia Inc.; Glenn Serafin of Communications Equity Associates; Jim White, general manager of WOOD-AM-FM; Gary Howard, UA senior vice president, and Bill Futera, UA director of corporate development.

SOLD!

KWIZ-FM, Santa Ana, California from **Liberman Broadcasting, Inc.**, Jose and Lenard Liberman, Principals to **International Radio, Ltd.**, N. John Douglas, Principal for $8,750,000.

Elliot B. Evers
Broker

Providing the Broadcast Industry with Brokerage Services Based Strictly on Integrity, Discretion and Results.

RANDALL E. JEFFERY
407-295-2572
ELLIOT B. EVERS
415-391-4877
BRIAN E. COBB
CHARLES E. GIDDENS
703-827-2727

RADIO and TELEVISION BROKERAGE
FINANCING • APPRAISALS

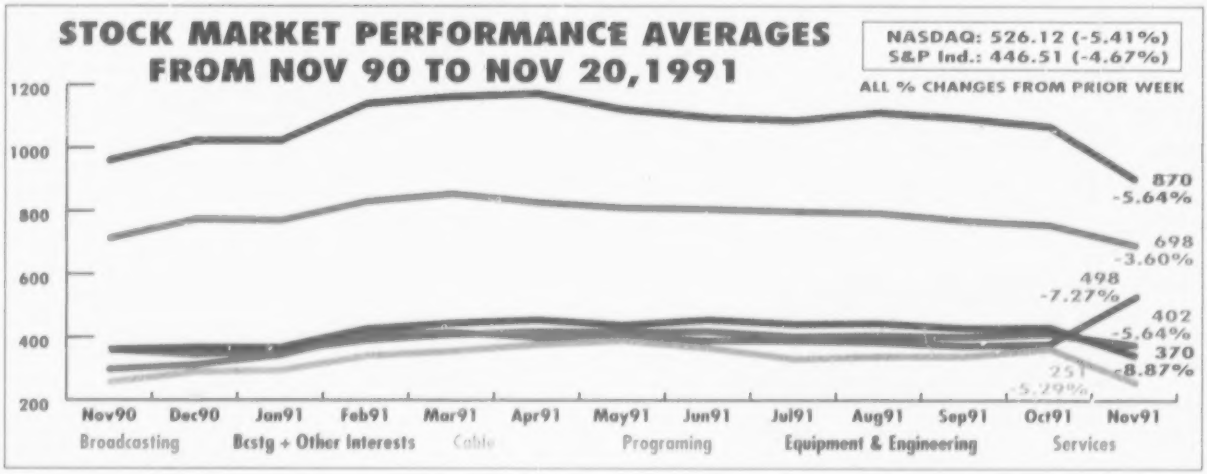
MVP

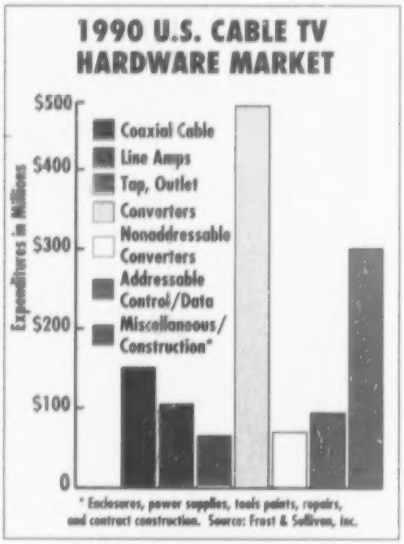
MEDIA VENTURE PARTNERS

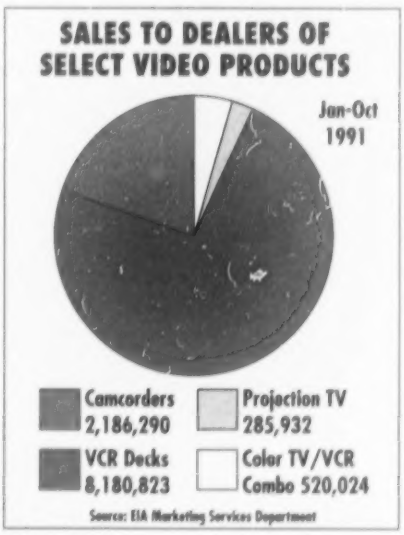
WASHINGTON, DC
ORLANDO
SAN FRANCISCO

Subject to F.C.C. approval

Broadcasting's By The Numbers







SUMMARY OF BROADCASTING & CABLE

BROADCASTING

Service	ON AIR	CP's[1]	TOTAL*
Commercial AM	4,988	235	5,223
Commercial FM	4,539	1,009	5,548
Educational FM	1,497	311	1,808
Total Radio	**11,024**	**1,555**	**12,579**
Commercial VHF TV	556	16	572
Commercial UHF TV	575	168	743
Educational VHF TV	124	4	128
Educational UHF TV	233	12	245
Total TV	**1,488**	**200**	**1,688**
VHF LPTV	230	149	379
UHF LPTV	738	794	1,532
Total LPTV	**968**	**943**	**1,911**
FM translators	1,878	363	2,241
VHF translators	2,701	79	2,658
UHF translators	2,338	320	2,658

CABLE

Total subscribers	56,072,840
Homes passed	87,433,000
Total systems	11,135
Household penetration†	61%
Pay cable penetration/basic	79%

* Includes off-air licenses. † Penetration percentages are of TV household universe of 93.1 million.
[1] Construction permit. [2]Instructional TV fixed service. [3]Studio-transmitter link.
Source: Nielsen, NCTA and Broadcasting's own research.